

investment in mine safety equipment and technology. I was pleased to support that bill.

Unfortunately, as I feared, during negotiations with the House, the reasonable compromise struck in the Senate was abandoned. The final tax package that the conference committee produced has the wrong priorities and will make America's fiscal situation substantially worse.

Middle-class relief from the alternative minimum tax expired at the end of last year. The conference report extends AMT relief through 2006 but does nothing about next year when millions of families will face an enormous tax increase. Additionally, the bill does not include the tax provisions, which I have long supported, that help average West Virginians. Tax cuts which benefit families paying college tuition, schoolteachers buying supplies, and businesses investing in research and development were simply not included in this bill. These provisions have already expired, meaning taxpayers will be hit with higher taxes this year. I recognize that the Senate majority leader has indicated his intention to address these issues later this year, and I will continue to advocate for extension of these important provisions. However, I believe it is irresponsible not to make tax cuts for middle-class families our top priority.

Instead of addressing these urgent priorities, the bill acts to extend tax cuts for investors that were not even set to expire until 2009. I cannot understand why tax cuts that primarily benefit taxpayers with more than \$200,000 in income would get a higher priority than tax relief for middle-class families. Unfortunately, in West Virginia, very few taxpayers have been able to benefit from the investor tax cuts enacted in 2003. Fewer than 17 percent of taxpayers reported any dividend income, and fewer than 11 percent of our taxpayers had any capital gains subject to tax.

I am also extremely disturbed by the budget gimmicks used in order to comply with the Senate's rules designed to impose fiscal discipline. By taking advantage of unusual revenue effects, this bill amazingly pays for tax cuts with yet more tax cuts. But without question, we are digging ourselves deeper in debt with such games. In the long run, this bill will cost us even more than the \$70 billion its sponsors claim. And because so many important issues have been left unaddressed, Congress will need to enact additional tax cuts this year. This fiscal mismanagement increases our borrowing from foreign nations and increases the burden on our future generations.

Finally, I would like to mention the 18 miners in West Virginia, as well as those in other States, who lost their lives this year and their devastated families, friends, and communities. I am deeply disappointed that this agreement does not include the bipartisan mine safety amendment, which I

worked so hard to include in the Senate bill. That amendment would have encouraged mine companies to invest in additional mine safety equipment and training and, most importantly, would have saved lives. This is a provision which cannot wait, and I will continue to push to have this provision enacted. The well-being and safety of miners demands it. •

#### SMALL BUSINESS RELIEF

Mr. BURNS. Mr. President, in 2002 Congress passed the Sarbanes-Oxley Act, providing important safeguards against unscrupulous accounting practices. In the wake of significant corporate accounting scandals, Congress created the Public Company Accounting Oversight Board overseen by the Securities and Exchange Commission. It restricted the actions of accounting firms who perform audits—specifically preventing them from undertaking other activities which lead to conflicts of interest. At the end of the day, this legislation is important to protect shareholders and employees from dishonest accounting practices that can cost them their futures and, in extreme cases, even their businesses.

Section 404 of Sarbanes-Oxley requires the Commission to create rules for annual reports and to prescribe internal control reports to ensure that financial reporting is accurate and ethical. The goals of this provision are warranted but the burden on smaller publicly held companies has come at a great cost.

Unfortunately, they are also incredibly and unnecessarily burdensome for small- and medium-sized businesses. In my State of Montana, it is these small- and medium-sized businesses that fuel the engine of our economy. Small businesses are collectively the largest employer in Montana, and it has always been important to me that the Federal Government consider the impact its regulatory policies have on small businesses.

For this reason, I am proud to be added as an original cosponsor of legislation that will reduce some of the burden facing small businesses, specifically in section 404. S. 2824, the Competitive and Open Markets that Protect and Enhance Treatment of Entrepreneurs Act, or COMPETE Act, will not remove the important safeguards that Sarbanes-Oxley created, but it will increase the flexibility of the law to allow businesses to comply with the law with less hardship.

In 2004, the average cost for a public company to be public was \$3.4 million. One out of every three dollars spent were for audits performed even if there was little or no value of those audits to the investors. It defies common sense to have the same requirements for the largest public companies as we do for the smallest, and the COMPETE Act will offer small- and medium-sized companies the option to comply with standard internal control guidelines

with enhanced internal controls, greater transparency, and specific restrictions against conflicts of interest.

One of the things I have learned here in Washington, DC, is that one-size-fits-all solutions don't work. American innovation is too diverse to encompass through inflexible regulations. When we passed Sarbanes-Oxley, our intentions were to protect investors and employees from the minority of companies that abused accounting practices to mislead their shareholders. This intention remains important, but in the past years I have heard from Montanans about the unforeseen and unintended consequences of this legislation. The COMPETE Act can sort these out, keeping the goals of Sarbanes-Oxley intact, while increasing the flexibility needed to make the regulation as harmless as possible to honest businesses.

#### COMMENDING THE USTR

Mr. BROWNBACK. Mr. President, I rise today because, as you may know, for several years now there have been ongoing negotiations between the State of Israel and the Office of the United States Trade Representative, USTR, regarding Israel's protections of U.S. intellectual property rights. I commend the USTR for so vigorously protecting these very valuable assets to the U.S. economy. However, what has caused my colleagues and I concern has been the treatment of Israel in this process; a process that we hope will become more transparent. This year, I was joined by Senators SCHUMER and WYDEN on a letter to the U.S. Trade Representative expressing our hope that the positive steps Israel has taken, particularly in the context of how many of our other trading partners have acted, would be granted the recognition it deserves. Unfortunately, when this year's Special 301 report was released, Israel was put on par with countries such as China and Russia while other countries, which have little or no intellectual property protections, were given a much less egregious designation.

Ron Dermer, the Israel Embassy's Minister for Economic Affairs, recently stated that "countries with a record of much more severe breaches of intellectual property than those attributed to Israel, are not included in these lists."

I do look forward to continuing our work with the Office of the USTR on this issue and to make sure that those countries that are working towards our mutual goals are met with the recognition and support from our government they deserve.

#### AMERICAN UNIVERSITY

Mr. GRASSLEY. Mr. President, I ask unanimous consent to have printed in the RECORD my correspondence with American University, AU. AU is a federally chartered nonprofit, tax-exempt educational organization.